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7 Lawyer for Margie Flesland

Hon. Patricia C. Williams

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UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF WASHINGTON

In re:

FLESLAND, HAROLD E.  
d/b/a Pleasant Hills Estates  
d/b/a Pleasant Hills Estates LP

Debtor.

No. 09-00575-PCW11

FINDINGS OF FACT AND  
CONCLUSIONS OF LAW RE:  
MODIFICATION OF  
CHAPTER 11 PLAN

(All entities entitled to service  
are registered participants in the  
CM/ECF System in this case.)

This Court, having considered the pleadings and files herein, the Declaration of Margie Flesland, and argument of counsel, enters the following

**FINDINGS OF FACT**

1. The Modification of Chapter 11 Plan ("Modification") filed by Creditor Margie Flesland on April 19, 2012 complies with the applicable provisions of 11 U.S.C.

2. Ms. Flesland has complied with the applicable provisions of 11 U.S.C.

3. The Modification has been proposed in good faith and not by any means forbidden by law.

4. Any payment made or to be made by Ms. Flesland for services or for costs and expenses in connection with this case or in connection with the Modification and incident to this case will be subject to the approval of this Court.

FINDINGS OF FACT AND  
CONCLUSIONS OF LAW - 1

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1           5.     No individual shall serve, after confirmation of the Modification, as a  
2 director, officer, or voting trustee of the debtor; there is no joint Modification; nor  
3 will there be any successor to the debtor under the Modification.

4           6.     The purpose of the Modification is to facilitate the liquidation of the  
5 assets proposed to be liquidated by the Plan.

6           7.     Debtor is currently not operating a business.

7           8.     No governmental regulatory commission will have any jurisdiction over  
8 the rates of Debtor after confirmation of the Modification.

9           9.     Each holder of a claim or interest shall receive that which it would  
10 receive if this case were liquidated under Chapter 7 of this title.

11          10.    This is not an involuntary case.

12          11.    There are no unpaid non-insider claims for wages, salaries or  
13 commissions, for contributors to an employee benefit plan, no claims related to the  
14 production, raising or storage of grain or for fish or fish produce, no unpaid claims  
15 for consumer deposits, and no claims for alimony, maintenance, or support.

16          12.    Each holder of a claim specified in 11 U.S.C. 507(a)(8) shall receive  
17 payments in cash the total value, as of the effective date of the Modification, equal  
18 to the amounts of their claims to be paid in full within five years of the date of the  
19 order of relief in a manner not less favorable than the most favored non-priority  
20 unsecured claim provided by the Modification.

21          13.    One class of claims that is impaired under the Modification that is not  
22 an insider has accepted the Modification.

23          14.    Debtor has not obligated himself to provide retiree benefits.

24          15.    The principle purpose of the Modification is not for the avoidance of  
25 taxes or for the avoidance of the application of Section 5 of the Securities Act of  
26 1933.

27          16.    There are no outstanding domestic support obligations.

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FINDINGS OF FACT AND  
CONCLUSIONS OF LAW - 2

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1 17. Debtor filed a Motion to convert this case into one under Chapter 7 after  
2 the Modification was filed.

3 18. Debtor subsequently withdrew his Motion to convert this case into one  
4 under Chapter 7.

5 19. Debtor did not timely undertake the appropriate procedures to sell the  
6 properties proposed to be liquidated under the Plan.

7 20. Immediate marketing of the properties will result in the likelihood of a  
8 greater distribution to creditors due to reduction in the accrual of interest on claims  
9 secured by properties to be sold.

10 21. The extension of time for the private sale of the Pleasant Hill Lot is  
11 necessary due to Debtor's failure to timely place that property on the market.

12 22. The limitation of time for the private sale of the other properties is  
13 necessary because Debtor's Marketing Plan did not provide for such a date.

14 23. No creditor has filed any objection to the Modification.

15 The Court, having made the foregoing Findings of Fact, makes the following

16 **CONCLUSIONS OF LAW**

17 1. The Modification of Chapter 11 Plan has been accepted in writing by the  
18 creditors and equity security holders whose acceptance is required by law.

19 2. The provisions of Chapter 11 have been complied with.

20 3. The objection to the Modification filed by Debtor should be denied.

21 4. The Modification filed by Ms. Flesland on April 19, 2012 under Docket  
22 #387 should be confirmed with the following amendments:

23 Paragraph 4 of the Modification is amended to provide as follows: "Margie  
24 Flesland is authorized to dispose of property by abandonment if she believes  
that it will be in the best interest of the creditors and the estate."

25 Paragraph 6 of the Modification is amended to provide as follows: "The Plan  
26 is Modified to extend the date by which the Pleasant Hills Lot property may be  
27 sold by private sale from August 14, 2012 to October 1, 2013. If the Pleasant  
Hills Lot property has not been sold by private sale by that date, it, along with  
any other real property proposed to be sold and has not been sold or disposed

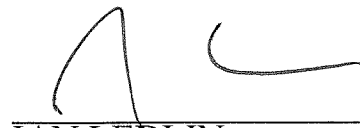
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FINDINGS OF FACT AND  
CONCLUSIONS OF LAW - 3

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of by abandonment of by that date, shall be sold by public sale or abandoned from the estate after notice and hearing, which shall occur no later than November 30, 2013 unless extended by the Court after notice and hearing."

Presented by:

PHILLABAUM, LEDLIN, MATTHEWS  
& SHELDON, PLLC



IAN LEDLIN  
Lawyer for Margie Flesland

No Objections:

OFFICE OF U.S. TRUSTEE

/s/ Gary W. Dyer (6/7/12)

GARY W. DYER  
Lawyer for U.S. Trustee

STAMPER RUBENS, P.S.

/s/ Darren M. Digiacinto (6/7/12)

DARREN M. DIGIACINTO  
Lawyer for Roger Fruci & Associates and Fruci II, P.S.

LAW OFFICE OF BRUCE R. BOYDEN

/s/ Bruce R. Boyden (6/7/12)

BRUCE R. BOYDEN  
Lawyer for Debtor

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Patricia C. Williams  
Bankruptcy Judge

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FINDINGS OF FACT AND  
CONCLUSIONS OF LAW - 4

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